



***Our first care is your health care***

ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

*Janet Napolitano, Governor*  
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May 21, 2008

Karen L. Fields, Pima Health System Director  
Pima Health System  
3950 S. Country Club Rd., Suite 400  
Tucson, Az 85714

Dear Ms. Fields:

In response to your May 19, 2008 letter received by AHCCCS via e mail on May 20, 2008, AHCCCS issued amendments 3, 4, and 5 to the Acute Care RFP due to our decision to amend the reinsurance offsets used in capitation rate development, to clarify instructions regarding the risk adjustment, and to instruct bidders to bid rates at average costs.

The decision to amend the RFP was made following our consideration of issues raised in a protest by Mercy Care Plan. Attached is a copy of the protest and the AHCCCS response.

There were no protests to these amendments.

Sincerely,

Michael Veit  
Procurement Officer